LEGISLATIVE BUSINESS.

THE TRAVANCORE MECHANICAL LIGHTERS (EXCISE DUTY) BILL.

Mr. Kayalam Parameswaran Pillai: I beg to move that the Travancore Mechanical Lighters (Excise Duty) Bill, as passed by the Sri Mulam Assembly, be taken up for consideration. Sir, the main object of this Bill is to provide for the levy of an excise duty on mechanical lighters manufactured in Travancore. Honourable members are aware that recently we passed a measure for imposing an excise duty on matches manufactured in Travancore and it has subsequently become law. It is apprehended that if there is an excise duty on matches manufactured in Travancore, that fact may stimulate the production of mechanical lighters as a substitute for matches. Such production may not only cause loss of duty but also a disturbance to the match industry itself. Accordingly, it is proposed that a corresponding excise duty must be levied on mechanical lighters also. This Bill is proposed for that purpose and has been passed by the Assembly. This Bill is drawn on the lines of the Travancore (Matches) Excise Duty Regulation passed by this Chamber.

Mr. M. Govinda Pillai: I second it.

Mr. S. Piraviperumal Pillai: Sir, as one representing the Commerce and Industries Constituency. I feel it my duty to oppose the motion. There is no necessity, for this Bill now. As the Law Member stated in the statement of objects and reasons, although at present there is no established industry in the matter, it is apprehended that the imposition of excise duty will stimulate the production of mechanical lighters on a large scale. After all, there is no factory here to manufacture these lighters nor, I understand, is there any factory in India. On a reading of the Preamble itself, which reads as "whereas it is expedient to impose an excise duty on mechanical lighters and to provide for the collection thereof, it is hereby enacted as follows", it is clear that there are no mechanical lighters here and there is no necessity for imposing an excise duty and for collection thereof.

If the Law Member is afraid that mechanical lighters will replace matches, then I should consider the necessity for the same. This Bill is introduced to prohibit the manufacture of mechanical lighters, just like the birth control method. This is something like putting a check for the birth of a new industry. I should consider that it is just like passing an order of internment on one who is yet to be born and who has not seen the light of day.

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Mr. E. P. Varghese: Is it the member's idea that legislation should be started only after the factory comes into existence? Where is the harm in having some legislation even before a factory is started ?.

Mr. S. Piraviperumal Pillai: Why should there be legislation when there is no necessity for the same, that is my point.

Mr. M. Govindan: May I know whether there is not a corresponding law in British India ?

Mr. S. Piraviperumal Pillai: It does not follow from that that there should be a law in Travancore. We feel that there is no necessity for such a legislation. We have fixed an import duty for mechanical lighters imported into Travancore and we get revenues on that score. If the Law Member is afraid that these mechanical lighters may replace match sticks, I ask why the Law Member did not apprehend about the rope with fire at its end hanging in all the shops in the town for the purpose of lighting beedies. They are as a matter of fact replacing more match sticks than the supposed mechanical lighters which the Law Member has contemplated. We are importing much tobacco and beedies are sold here on a large scale. Everywhere we come across small ropes hanging in all the shops with fire at their end. That really replaces the mechanical lighters that is contemplated under this Bill. Under the circumstances, I ask, why not the Law Member bring a Coir Bill also.

Therefore, Sir, this Bill is really a handicap to those who may intend starting new industries. If and when a mechanical lighters factory comes into existence, when mechanical lighters are manufactured on a large scale, when they really replace match sticks and are a menace in getting revenues, is it not enough, I ask, that we think of the question ? Now the House is asked to pass a legislation for future industries that may arise. As I said, there is really no harm in not passing a measure of the kind now proposed. If such a Bill is passed it will be killing the incentive for Travancoreans to start new industries. Therefore, I oppose the motion.

Mr. P. Padmanabhan Tampi (*Kalkulam* cum *Vilavankod*): I second it.

President: The motion before the House is that the Travancore Mechanica. Lighters (Excise Duty) Bill, as passed by the Sri Mulam Assembly, be taken up for consideration.

The motion was put to vote and carried.

Clause 1.

President: The question is that Clause I do form part of the Bill.

The motion was put to vote and carried. The Clause was added to the Bill.

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Clause 2.

Mr. S. Piraviperumal Pillai: Sir, I beg to move the following amendment :—

In Clause 2, sub-clause (*a*), delete the words commencing "or which are declared by Our Government by Notification in Our Government Gazette to be a manufactory for the purposes of this Regulation" after "manufactured".

The definition as amended would read thus :—

"Manufactory" means any premises wherein mechanical lighters are manufactured.

It is a well-known principle in law that definition should always be precise. What is the use of giving extra powers to Government to declare any premises by notification to be a manufactory, I cannot understand. If the Financial Secretary were to run up to the Law Member and say that a good lot of revenue is lost on account of the fact that these small bazaars are keeping a rope with fire at its end which replaces regular match sticks, that would be representing a true state of affairs. That the rope with fire at its end is replacing match sticks is clear. There is reason for Government taking action against such instances. So by the passing of a measure like the present one there is hardship to traders whom I represent. The Law Member says that this Bill has been drafted on the lines of the British Indian Statute.

Mr. Kayalam Paramesvaran Pillai: I said that this Bill was drawn on the lines of the Matches Regulation.

Mr. S. Piraviperumal Pillai: As the Law Member said that this Bill has been drawn on the lines of the British Indian Mechanical Lighters Act, which is followed in the Matches Regulation, the definition of manufactory there does not contain this sentence. Why, then, I ask, should the Law Member confuse the definition and make it vague ? Though the House has passed the consideration of this Bill, I appeal to the members to support my amendment.

Mr. V. S. Arumukham Pillai: I second it.

Mr. Kayalam Paramesvaran Pillai: I oppose the amendment. First of all I may point out that the Matches Regulation which was recently passed by this Chamber contains a definition of the term which is exactly on the lines of the one proposed in this Bill. There is no difference at all in the definition of the term manufactory contained in this Bill and the Matches Regulation. For the information of the House, I may read the definition contained in the Travancore (Matches) Excise Duty Regulation. It

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[Mr. Kayalam Paramesvaran Pillai.]

is this; "Manufactory means any premises wherein matches are manufactured or which are declared by Our Government by Notification in Our Government Gazette to be a manufactory for the purposes of this Regulation."

It is not very long ago that we passed this definition and I fail to see why Mr. Piraviperumal Pillai should be apprehensive about introducing the same definition in this Bill. As I said at the outset, this Bill is drawn on the lines of the (Matches) Excise Duty Regulation.

Mr. S. Piraviperumal Pillai: May I know when there are no institutions for manufacturing mechanical lighters why a legislation of the kind should be passed?

Mr. Kayalam Paramesvaran Pillai: I will come to that presently.

Mr. Piraviperumal Pillai draws my attention to the fact that matches were being manufactured in Travancore before this Regulation was passed. But it is said that mechanical lighters are not manufactured now. That, I say, is all the more reason why we need not feel any apprehension about the definition in this Bill, which is more or less a precautionary measure only. The Matches Regulation would operate in actual fact. The present measure would operate only in theory, as mechanical lighters are not as a matter of fact manufactured now in Travancore.

Mr. S. Piraviperumal Pillai: Is it the member's view that because he has overlooked the other definition he should not be vigilant now?

Mr. Kayalam Paramesvaran Pillai: No. I am only saying that there is nothing wrong in the definition and that there is no justification for any apprehension now. I shall however explain why the definition is framed as it is. The definition enables the Government to declare any place to be a manufactory. The object of this provision is to prevent the evasion of the law by any skilful or, I may say, clever industrialist. The definition, with the objected portion deleted, would read "manufactory means any premises wherein mechanical lighters are manufactured."

Mr. S. Piraviperumal Pillai: Is it not the definition in the British Indian Act?

Mr. Kayalam Paramesvaran Pillai: Yes. But not in our own Matches Regulation. Now "premises" means,..... house, building, with ground and appurtenances .....". I am reading from the Concise Oxford Dictionary adopted by Fowler.

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So then it means a building and grounds. A building may be enclosed by a fence. Then it may be taken to be premises. Suppose it is not so enclosed. Will it be premises? The articles may be manufactured in a room without anything more. Will the room be premises; it is open to doubt. Or take it that the manufacture is in open ground, without any building or fencing. Will the place be premises? It is open to doubt. Therefore, to remove all such doubts, a provision as in the clause has been put in to give power to Government to declare any place to be a manufactory for the purpose of this Regulation. After all, the declaration can have effect only on places wherein mechanical lighters are manufactured. All the legal duties or burdens that are sought to be imposed by this Bill are proposed to be placed only on mechanical lighters, whatever place may be the manufactory. For example, let me read the most important provision of this Bill, that is Clause 3. It reads:—

> "A duty of excise at the rate of one British rupee and eight annas per lighter shall be levied on every mechanical lighter manufactured in any manufactory in Travancore and issued out of such manufactory."

So, then, the duty is on the mechanical lighter and it does not matter whatever the place is that is a manufactory, whether it be premises proper or a place declared by Government to be a manufactory. The legal obligation is only in respect of mechanical lighters and does not arise out of the mere fact of a place being a manufactory.

Then again Clause 7 says :—

> ".....no person shall manufacture mechanical lighters in Travancore except under and in accordance with a licence to manufacture issued under this Regulation."

Here again, it will be noticed that the legal obligation is in respect of mechanical lighters only. I want the honourable members to note particularly that the legal obligations are intended to operate only if mechanical lighters are manufactured. Is it the desire of the House that a provision which empowers the levy of a duty on mechanical lighters should be sought to be evaded by arguing that a particular place is not technically a manufactory? If it is the desire of the House that there should be facility for evasion, then I can understand the opposition of Mr. Piraviperumal Pillai.

Mr. S. Piraviperumal Pillai: Does the Law Member think that clause (*d*) of Section 15 (2) imposes some duty on the owners of manufactories?

Mr. Kayalam Paramesvaran Pillai: Provided there are mechanical lighters.

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Mr. S. Piraviperumal Pillai: They do not manufacture by mechanical labour.

"Regulate the issue of mechanical lighters out of any manufactory."

Mr. Kayalam Paramesvaran Pillai: That is about mechanical lighters. Clause 11 has been referred to. Clause 11 is—

"Whoever evades, or attempts to evade, the payment of any duty payable by him under this Regulation or fails to supply any information which he is required under this Regulation or the rules to supply, or knowingly supplies false information....."

It is all about information concerning mechanical lighters. That is the point I want to stress. Note that the legal obligation is always in respect of mechanical lighters. I merely put in this provision in order that the legal measures that we may enact may not be argued to be ineffective by a contentious man as for instance by arguing that a place is not premises and therefore is not manufactory. In order to avoid such a contention, this provision has been put in. As I said at the beginning, this is the identical provision that has been put in the Matches Regulation also. I trust that the House will accept the provision in the Bill and reject the amendment of Mr. Piraviperumal Pillai.

Mr. K. P. Nilakanta Pillai: May I know whether there is any factory or premises in or outside the State where these mechanical lighters alone are manufactured ?

Mr. Kayalam Paramesvaran Pillai: There is no such place in Travancore.

Mr. S. Piraviperumal Pillai: I do not mean to say that the explanation offered by the Law Member is satisfactory. All these troubles and difficulties did not appeal to the legislators in British India and the Law Member now says that the Government of India did not apprehend these difficulties. Section 15 (2) clause (*d*) says :—

"Impose on the owners of manufactories and on persons engaged in the sale of mechanical lighters the duty of furnishing information, keeping records and making returns, and prescribe the nature of such information and the form of such records and returns, the particulars to be contained therein, and the manner in which they shall be verified."

If the Government may call any place a manufactory, though it does not manufacture mechanical lighters, by a notification in the Gazette, then these small bazaars which keep long ropes with fire at one end may come under this definition and then the owners of these small bazaars will be asked to furnish information, keep records and make returns and prescribe the nature of such information and the form of such records and returns. They will be put to all these difficulties and troubles. After all, they will be running the

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business with five or six rupees. If these traders are asked to furnish all this information, imagine the difficulties that they will be put to and the penalty that will be inflicted on them by this Bill. As I said, it does not appear in the British Indian Statute. Why then, I ask, should this definition be included here? Therefore, I appeal to the members to support my amendment.

President: Moved and seconded that in Clause (2), sub-clause (*a*), the words commencing "or which are declared by Our Government by Notification in Our Government Gazette to be a manufactory for the purposes of this Regulation," after "manufactured," be deleted.

The motion was put to vote and lost.

Mr. S. Piraviperumal Pillai: I demand a poll. A poll was taken and the House divided as follows:—

FOR—19.

1	Mr. V. S. Arumukham Pillai	11	Mr. N. K. Padmanabha Pillai
2	„ M. Govindan	12	„ P. Padmanabhan Tampi
3	„ C. M. Joseph	13	„ M. N. Paramesvaran Pillai
4	„ K. N. Kesavan Namputiripad	14	„ S. Piraviperumal Pillai
5	„ K. Madhavan Pillai	15	„ K. Rama Varma Raja
6	„ M. P. Madhavan Pillai	16	„ N. Ramakrishna Pillai
7	„ G. Narayana Aiyar	17	„ K. Sankaralingam Pillai
8	„ M. N. Narayana Menon	18	„ Komilezhathu Sankaran
9	„ K. P. Nilakanta Pillai	19	„ A. N. Visvanatha Pillai
10	„ K. Padmanabha Panickar		

AGAINST—13.

1	Mr. Kochikal P. Balakrishnan Tampi	8.	Mr. N. K. Padmanabha Pillai
2	„ K. George	9	„ Kayalam Paramesvaran Pillai
3	„ M. Govinda Pillai	10	„ R. Pitchu Aiyangar
4	„ William Foster Inman	11	„ T. C. Thommen
5	„ K. N. Kesava Pillai	12	„ G. B. E. Truscott
6	„ C. O. Madhavan	13	„ E. P. Varghese
7	„ R. Nilakanta Pillai		

NEUTRALS—3.

1	Mr. S. Adam Sait	3	Mr. Hajee Hassan Yacoob Sait
2	„ H. O. L. Marikar		

President: For the motion 19, against 13, and neutrals 3. The amendment is, therefore, carried.

The question is that Clause 2 as amended by the House do form part of the Bill.

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The motion was put to the vote of the House and carried.

The Clause was added to the Bill.

Clauses 3 to 5.

President : The question is whether Clauses 3 to 5 do form part of the Bill.

The motion was put to the vote of the House and carried.

The Clauses were added to the Bill.

Clause 6.

Mr. S. Piraviperumal Pillai : Sir, I beg to move that this Clause be deleted and the other Clauses re-numbered. The Clause reads thus :—

> "Our Government may, by Notification in Our Government Gazette, prohibit absolutely, or with such exception as they think fit, the bringing of mechanical lighters into Travancore from the territory of any specified Prince or Chief in India."

I fail to see the object of this Clause. The Law Member in his statement of objects and reasons said that this Bill is intended to see that the revenue we may derive from matches should not be reduced. We have an import duty. Why then should we restrict the import of matches from other States or Chiefs in India. Are we restricting the import of matches from foreign countries ? We are importing matches from Japan, China or Italy. We pay import duty for that. Why should we say that there should be a restriction if it is imported from a sister State of India ? Our revenue should not in any way be affected. For that we impose duty. In the same way if we import matches from any sister State we can impose duty and do not lose anything. For that this Clause should be deleted. Therefore I earnestly appeal to the members of this House that they must support this amendment.

Mr. Kayalam Paramesvaran Pillai : Sir, I oppose the amendment. Here again, I may point out at the outset, that in the Matches Regulation recently passed by this House there is the identical provision as in Section 6 :—

> "Our Government may, by notification in Our Government Gazette, prohibit absolutely, or with such exceptions as they think fit, the bringing of mechanical lighters into Travancore from the territory of any specified Prince or Chief in India."

The object of this provision is that if any State does not impose an excise duty as is done in Travancore, or rather will be done after this measure is passed or as is done in British India under the corresponding Act, then it may be necessary to prevent the import of mechanical lighters from those States. If that is not done mechanical lighters may be produced in those countries and then may be brought into this country and such lighters may flood our country.

Mr. S. Piraviperumal Pillai : What is the harm ?

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Mr. Kayalam Paramesvaran Pillai: Our excise duty will suffer unless the import is prohibited or a special import duty is imposed on such lighters. An import duty is already there. Another import duty may have to be imposed that is to say, in addition to that levied ordinarily. In other words we may have to impose differential duties. If it is one rupee on mechanical lighters imported from a country where excise duty is levied we must levy Rs. 2 and annas eight on mechanical lighters imported from countries which do not impose the excise duty.

Mr. S. Piraviperumal Pillai: Is it not enough if the schedule of tariff is changed ?

Mr. Kayalam Paramesvaran Pillai: No; a *differential* duty will have to be levied. If it is one rupee on mechanical lighters brought from a country where excise duty is imposed then we must levy Rs. 2 and annas eight on such lighters brought from countries which do not impose an excise duty. And, we must be on the look-out perpetually to see which country imposes the excise duty and which does not. That is all very inconvenient. And sometimes we may have to prohibit the import entirely. So, if the House is agreed on the principle of levying excise duty on mechanical lighters the proper course would be to give power to Government to prohibit import of mechanical lighters from countries which do not impose the duty. And I do not see why any objection should be taken to this provision, which, as I said before, finds a place in the corresponding Matches Regulation in other Provinces.

Mr. S. Piraviperumal Pillai: Sir.....

President: The mover has no right of reply.

Proposed and seconded that Clause 6 be deleted and the remaining clauses re-numbered.

The amendment was put to vote and lost.

Mr. S. Piraviperumal Pillai: I demand a poll.

A poll was taken and the House divided as follows :—

FOR 19.

1	Mr. V. S. Arumukham Pillai	11	Mr. P. Padmanabhan Tampi
2	,, M. Govindan	12	,, M. N. Paramesvaran Pillai
3	,, C. M. Joseph	13	,, S. Piraviperumal Pillai
4	,, K. N. Kesavan Namputiripad	14	,, K. Rama Varma Raja
5	,, K. Madhavan Pillai	15	,, N. Ramakrishna Pillai
6	,, M. P. Madhavan Pillai	16	,, K. Sankaralingam Pillai
7	,, M. N. Narayana Menon	17	,, Komilezhathu Sankaran
8	,, K. P. Nilakanta Pillai	18	,, E. P. Varghese
9	,, K. Padmanabha Panickar	19	,, A. N. Visvanatha Pillai
10	,, N. K. Padmanabha Pillai		

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AGAINST—15.

1 Mr. S. Adam Sait	9 Mr. H. O. L. Marikar
2 ,, Kochikal P. Balakrishnan Tampi	10 ,, R. Nilakanta Pillai
3 ,, C. V. Chandrasekharan	11 ,, Kayalam Paramesvaran Pillai
4 ,, K. George	12 ,, R. Pitchu Aiyangar
5 ,, M. Govinda Pillai	13 ,, T. C. Thommen
6 ,, William Foster Inman	14 ,, G. B. E. Truscott
7 ,, K. N. Kesava Pillai	15 ,, Hajee Hassan Yacoob Sait
8 ,, C. O. Madhavan	

NEUTRAL—1.

1 Mr. G. Narayana Aiyar

President: The result of the counting is, for the amendment 19, against 15, and neutral 1. The amendment is carried.

The question is that Clause 6, as amended by the House, do form part of the Bill.

The motion was put to vote and carried and the Clause was added to the Bill.

The question whether Clauses 7, 8, 9, 10, 11, 12, 13, 14 and 15 do form part of the Bill was put to vote and carried.

The question whether the Preamble shall form part of the Bill was put to vote and carried.

The question that the Title shall form part of the Bill was put to vote and carried.

Mr Kayalam Paramesvaran Pillai: I think, Sir, if the House has no objection to the third reading of the Bill, I shall move that the Bill as amended be passed.

President: After the victory they have had, perhaps they will have no objection.

No objection was raised.

Mr. Kayalam Paramesvaran Pillai: Sir, I beg to move that the Bill as amended be passed.

Mr. M. Govinda Pillai: I second it.

President: The motion before the House is that the Travancore Mechanical Lighters (Excise Duty) Bill as amended by the House be passed.

The motion was put and carried and the Bill was passed.

THE TRAVANCORE VILLAGE PANCHAYAT REGULATION (AMENDMENT) BILL.

Mr. Kayalam Paramesvaran Pillai: Sir, I beg to move that the Travancore Village Panchayat Regulation (Amendment) Bill, as passed by the Sri Mulam Assembly, be taken into

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